

Message Text

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ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 COME-00 FRB-01

INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06 SP-02

CIEP-02 LAB-04 SIL-01 OMB-01 L-03 PRS-01 /072 W

-----041544Z 068076 /50 43

R 041441Z JAN 77

FM AMEMBASSY THE HAGUE

TO SECSTATE WASHDC 9654

INFO USMISSION EC BRUSSELS

USMISSION OECD PARIS

UNCLAS THE HAGUE 0028

E.O. 11652: N/A

TAGS: EFIN, NL

SUBJ: DUTCH REOPEN PRIVATE LOAN MARKET TO FOREIGNERS

1. THE NETHERLANDS BANK HAS ISSUED A DIRECTIVE REOPENING THE PRIVATE LOAN MARKET TO FOREIGNERS EFFECTIVE JANUARY 3. THE BANK STOPPED ISSUING PERMITS FOR SUCH LOANS IN MAY 1976 DUE TO UNCERTAINTIES IN DUTCH CAPITAL MARKETS AND TO THEIR EFFECTS ON FOREIGN EXCHANGE OPERATIONS. NEW BORROWINGS WILL HAVE A MAXIMUM SIZE OF 75 MILLION GUILDERS (2.45 GUILDERS EQUAL \$1.00) AND A MINIMUM TERM OF 10 YEARS. PROCEEDS MUST BE MADE AVAILABLE TO THE FOREIGN BORROWER IN DOLLARS.

2. UNDER THESE LIMITATIONS AND GIVEN THE RECENT LOOSENING OF DUTCH CAPITAL MARKETS, IMPACT ON CAPITAL AND FOREIGN EXCHANGE MARKETS OF REOPENING TO FOREIGN BORROWERS IS EXPECTED TO BE MINIMAL. ONE DUTCH BANK HAS ESTIMATED THAT FOREIGNERS WILL HAVE TO ENTER THE MARKET WITH A 9 1/4 PERCENT COUPON AND ISSUE AT SLIGHT DISCOUNT DEPENDING ON QUALITY OF BORROWER. RECENT BORROWINGS BY DUTCH FIRMS HAVE BEEN ON APPROXIMATELY THE SAME TERMS.

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BANK LOANS, FOREIGN EXCHANGE
Control Number: n/a
Copy: SINGLE
Sent Date: 04-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977THEHA00028
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770003-0255
Format: TEL
From: THE HAGUE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770180/aaaacsjp.tel
Line Count: 55
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: b7fb5cdd-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3664315
Secure: OPEN
Status: NATIVE
Subject: DUTCH REOPEN PRIVATE LOAN MARKET TO FOREIGNERS
TAGS: EFIN, NL
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/b7fb5cdd-c288-dd11-92da-001cc4696bcc
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